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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

COUNTRY

Communist China

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Industrial Developments in Communist China

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Information about a number of industrial developments in different parts of Communist China is collected in this report.

- 1. Mukden. Construction work is being pressed forward on an up-to-date pneumatic tool factory; 180 machines already have been installed, and a laboratory, a boiler house and a watertower 30 meters high have been completed. The factory will manufacture compressed air drills for bridge building, ship building and mining.
- 2. Mukden. China's first motor vehicle factory is going up here. Material and men are being collected for it from all over. Iron and steel come from the steel centers at Anshan, Shanghai, Tientsin, Fuchun and Peiping, as well as Mukden; cement from east and north China; wood from the farthest northeast; mashinery from the Soviet Union, Hungary and Czechoslovakia. Personnel meanwhile is being trained in 46 different factories.
- 3. Anshan (30 km south of Mukden). The first seamless steel tube plant has been opened here. Forty technicians for the plant were trained in the Soviet Union.
- 4. Peiping. The great engineering works at Fuchun, in northeastern China, manufactures large quantities of drills for earth boring to depths of 500 meters. Boring equipment for depths of 1,000 meters are to be in production by the end of 1953.
- 5. Tientsin. The Tientsin steel works made a new monthly record for bar steel production in Oct 53, fifteen percent above the previous record.

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- 6. Kaifeng. A new canal project, called the "Victory Canal" was completed in 1953 for irrigation and navigation purposes. It provides a connection between Honan Province and Tientsin; 100 ton vessels can now proceed from the Yellow River (Hoang Ho) through the 900 km long Wei river to Tientsin. The canal carries the overflow waters of the Yellow River to the Wei, so that the latter is now navigable in dry seasons. Irrigation canals, etc., make altogether a network of 5,700 km.
- 7. Chengchow (60 km west of Kaifeng). An electric power plant was opened at the end of Oct 1953 at this important railway junction in northern Honan province. It is completely automatic. It will supply the cotton spinning mills of the city and the mining works in the northern and western parts of the province.
- 8. Taiyuan (350 km southwest of Tientsin). Construction of a power plant commenced here on 24 Oct 53. It is to be completed at the beginning of 1957. It will treble the electric power output of the Taiyuan district and will be wanted by the growing heavy industry there.
- 9. Shanghai. Pure chemicals for laboratory purposes are now being produced in Shanghaits first pharmaceutical factory; for example, sodium metasulphite. The quality conforms to international standards.
- Hofei (sic). The Maanshan (sic) iron ore center near Shanghai sent its first deliveries of cast iron to the iron and steel industries of Shanghai at the end of Oct 53. When the production reaches full volume, the Shanghai melting works will be independent of outside suppliers.

 And China as contented in this report.
- 11. Sian (Shangan). The largest electric power plant in northwestern China has been completed here three months ahead of the scheduled date. It will furnish current for the textile and engineering works and the mills in and around Sian. This is one of six large power plants being built in China at the present time.
- Chungking. Mich coal and iron deposits have been uncovered near Chungking, the chief industrial center in southwestern China. Prospectors also assert that the area promises to be a valuable oil producer. Twenty prospecting crews are carrying out extensive investigations and borings in the southwestern area; 61,000 sq km of land are being explored for oil; 1,800 people have been trained this year as geological personnel and 3,000 more are currently undergoing training. The existing tin and copper mining operations in this area are to be expanded. More than 30 different metals have been discovered on the remote Sikang-Tibet plateau. The plateau is also rich in asbestos with especially long fibers
- Hantan (sic). A new industrial city has arisen at Hantan, in China's largest cotton growing province, Hupei; 300,000 hectares of cotton fields are connected with Hantan by rail, waterway and road. The cotton produced will keep 400,000 spindles turning. Agricultural machinery factories supply equipment to the farmers. During the past three years, 20,000 waterwheels for irrigation purposes have been sold to farmers. Trade and building activity is increasing; factories, dwellings, 10 common schools, 3 middle schools, a movie house and a theatre.

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- 14. Yunnan. An important enlarged textile mill was reopened in Yunnan at the beginning of Oct 1953. This sutomatized mill with its 500 added from will produce more than 400,000 balls of stuff yearly, or more than 13 times as much as before the enlargement.
- 15. Munming (Yunnan). The Kokiu tin mine in Yunnan Province has been modernized to a considerable extent with a power plant, an ore-treating plant and a conveyor system.
- 24 definition of the Moviet Union will deliver agricultural machinery and equipment, chemical fertilizers, breeding cattle, and 15,000 horses to Korea as part of a one million ruble grant in aid. North Korea has established work horse stations for lending animals to farmers. There are stations in, among other places, Hwanghae, Mangwon, North and South Pyongan, and South Hamkyong Prevince.
- 3zechuan. More than 4,000 tons of chemical fertilizer have been produced wince Apr 1953 at the national phosphorus works in the neighborhood of the C Welmountains. Rich beds of phosphorus were discovered in these mountains in 1950 (probably about 130 km southwest of Chengtu)

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